PATENT COOPERATION TREATY

PCT

INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY
(Chapter I of the Patent Cooperation Treaty)

(PCT Rule 44*bis*)

Applicant's or agent's file reference 075234.0286	**FOR FURTHER ACTION**	See item 4 below
International application No. PCT/US2007/009389	International filing date *(day/month/year)* 17 April 2007 (17.04.2007)	Priority date *(day/month/year)* 17 April 2006 (17.04.2006)
International Patent Classification (8th edition unless older edition indicated) See relevant information in Form PCT/ISA/237		
Applicant CFPH, LLC		

1. This international preliminary report on patentability (Chapter I) is issued by the International Bureau on behalf of the International Searching Authority under Rule 44 *bis*.1(a).

2. This REPORT consists of a total of 5 sheets, including this cover sheet.

    In the attached sheets, any reference to the written opinion of the International Searching Authority should be read as a reference to the international preliminary report on patentability (Chapter I) instead.

3. This report contains indications relating to the following items:

    ☒ Box No. I   Basis of the report

    ☐ Box No. II   Priority

    ☐ Box No. III   Non-establishment of opinion with regard to novelty, inventive step and industrial applicability

    ☐ Box No. IV   Lack of unity of invention

    ☒ Box No. V   Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement

    ☐ Box No. VI   Certain documents cited

    ☐ Box No. VII   Certain defects in the international application

    ☐ Box No. VIII   Certain observations on the international application

4. The International Bureau will communicate this report to designated Offices in accordance with Rules 44*bis*.3(c) and 93*bis*.1 but not, except where the applicant makes an express request under Article 23(2), before the expiration of 30 months from the priority date (Rule 44*bis* .2).

	Date of issuance of this report 22 October 2008 (22.10.2008)
The International Bureau of WIPO 34, chemin des Colombettes 1211 Geneva 20, Switzerland	Authorized officer **Philippe Becamel**
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Form PCT/IB/373 (January 2004)

PATENT COOPERATION TREATY

From the
INTERNATIONAL SEARCHING AUTHORITY

To: Samir A. Bhavsar Baker Botts LLP 2001 Ross Avenue Dallas, Texas 75201	**PCT** WRITTEN OPINION OF THE INTERNATIONAL SEARCHING AUTHORITY (PCT Rule 43*bis*.1)

	Date of mailing *(day/month/year)* **1 3 NOV 2007**

Applicant's or agent's file reference 075234.0286	FOR FURTHER ACTION See paragraph 2 below

International application No. PCT/US 07/09389	International filing date *(day/month/year)* 17 April 2007 (17.04.2007)	Priority date *(day/month/year)* 17 April 2006 (17.04.2006)

International Patent Classification (IPC) or both national classification and IPC
IPC(8) - G06Q 40/00 (2007.10)
USPC - 705/35

Applicant   CFPH, LLC

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1. This opinion contains indications relating to the following items:

   ☒ Box No. I   Basis of the opinion

   ☐ Box No. II   Priority

   ☐ Box No. III   Non-establishment of opinion with regard to novelty, inventive step and industrial applicability

   ☐ Box No. IV   Lack of unity of invention

   ☒ Box No. V   Reasoned statement under Rule 43*bis*.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement

   ☐ Box No. VI   Certain documents cited

   ☐ Box No. VII   Certain defects in the international application

   ☐ Box No. VIII Certain observations on the international application

2. **FURTHER ACTION**

   If a demand for international preliminary examination is made, this opinion will be considered to be a written opinion of the International Preliminary Examining Authority ("IPEA") except that this does not apply where the applicant chooses an Authority other than this one to be the IPEA and the chosen IPEA has notified the International Bureau under Rule 66.1*bis*(b) that written opinions of this International Searching Authority will not be so considered.

   If this opinion is, as provided above, considered to be a written opinion of the IPEA, the applicant is invited to submit to the IPEA a written reply together, where appropriate, with amendments, before the expiration of 3 months from the date of mailing of Form PCT/ISA/220 or before the expiration of 22 months from the priority date, whichever expires later.

   For further options, see Form PCT/ISA/220.

3. For further details, see notes to Form PCT/ISA/220.

Name and mailing address of the ISA/US Mail Stop PCT, Attn: ISA/US Commissioner for Patents P.O. Box 1450, Alexandria, Virginia 22313-1450 Facsimile No. 571-273-3201	Date of completion of this opinion 09 October 2007 (09.10.2007)	Authorized officer: Lee W. Young PCT Helpdesk: 571-272-4300 PCT OSP: 571-272-7774

Form PCT/ISA/237 (cover sheet) (April 2007)

Box No. I   Basis of this opinion

1. With regard to the **language**, this opinion has been established on the basis of:

   ☒ the international application in the language in which it was filed.

   ☐ a translation of the international application into _____ which is the language of a translation furnished for the purposes of international search (Rules 12.3(a) and 23.1(b)).

2. ☐ This opinion has been established taking into account the **rectification of an obvious mistake** authorized by or notified to this Authority under Rule 91 (Rule 43*bis*.1(a))

3. With regard to any **nucleotide and/or amino acid sequence** disclosed in the international application, this opinion has been established on the basis of:

   a. type of material

   ☐ a sequence listing

   ☐ table(s) related to the sequence listing

   b. format of material

   ☐ on paper

   ☐ in electronic form

   c. time of filing/furnishing

   ☐ contained in the international application as filed

   ☐ filed together with the international application in electronic form

   ☐ furnished subsequently to this Authority for the purposes of search

4. ☐ In addition, in the case that more than one version or copy of a sequence listing and/or table(s) relating thereto has been filed or furnished, the required statements that the information in the subsequent or additional copies is identical to that in the application as filed or does not go beyond the application as filed, as appropriate, were furnished.

5. Additional comments:

| Box No. V | Reasoned statement under Rule 43*bis*.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement |

1. Statement

Novelty (N)	Claims	1-18	YES
	Claims	None	NO
Inventive step (IS)	Claims	None	YES
	Claims	1-18	NO
Industrial applicability (IA)	Claims	1-18	YES
	Claims	None	NO

2. Citations and explanations:

Claims 1-18 lack an inventive step under PCT Article 33(3) as being obvious over US 2004/0049447 A1 to Keiser et al. (hereinafter 'Keiser'). Keiser teaches a system for trading a plurality of derivative financial instruments comprising:

1) processor	(para [0061])
2) memory	(para [0061])
3) order receiving means	(para [0005])
4) order matching means	(para [0005])
5) market price determining means	(para [0090])
6) market data generating means	(para [0090])
7) trade executing means	(para [0090])

As to claims 1 and 10, Keiser teaches a system for trading a plurality of derivative financial instruments comprising: (A) a processor operable to: (i) receive a first order to buy a derivative financial instrument representing at least one product, (ii) receive a second order to sell the derivative financial instrument, (iii) determine a market price based at least in part on the first order and the second order, (iv) execute a trade at the determined market price, and (v) generate market data associated with the at least one product, and (B) a memory operable to store the first order and/or the second order (abstract, figs. 2-4, and para [0005]-[0007], [0059]-[0083], [0090]-[0100]). Keiser doe not explicitly teach the product being a pharmaceutical or manufactured product or service, and the generating the market data at least in part on the first/second order and/or the executed trade. However, Keiser explicitly suggested that the teachings are not limited to specific environment and can be used in other alternative environment (para [0062]), and generating a market price/data that reflects the demand or lack for the derivative financial instrument in the market (para [0090]). It would have been obvious to one of ordinary skill in the art to modify Keiser's teachings based on his suggestion because it would have allowed the system to trade the derivative financial instruments related to other products, and also generate market data which reflects the demand or lack for the derivative financial instrument for a particular product in the market, thereby expanding the use of the system to other alternative environment and hence increase the overall performance of the system.

As to claim 2, Keiser teaches the derivative financial instrument is associated with an initial price based at least in part on an attribute of the at least one product (para [0087]).

As to claims 3-4, Keiser teaches adjusting the market price associated with the derivative financial instrument based at least in part on a result associated with the at least one product under review for approval (para [0090]-[0091]).

As to claims 5-7, Keiser teaches the result is associated with the performance or sales or other parameters related to the at least one product (para [0099]-[0100]).

As to claim 8, Keiser teaches comparing a portfolio of derivative financial instruments associated with a first trader against a portfolio of derivative financial instruments associated with a second trader, and determining a winning trader based on the comparison (fig. 3 and para [0098]).

As to claim 9, Keiser teaches the first order received from a first trader associated with a first account of electronic currency, the second order received from a second trader associated with a second account of electronic currency, and debiting/crediting the first/second accounts according the executed trade (fig. 3 and para [0073]-[0081]).

As to claim 11, see discussions for claim 1, and Keiser further teaches identifying the event and responding accordingly to the identified event (fig. 2 and para [0063]). Keiser does not explicitly teach generating opinion data associated with the event based at least in part on the executed trade. However, Keiser explicitly suggested that the teachings are not limited to specific environment and can be used in other alternative environment (para [0062]), and generating a market price/data that reflects the demand or lack for the derivative financial instrument in the market (para [0090]). It would have been obvious to one of ordinary skill in the art to modify Keiser.s teachings based on his suggestion because it would have allowed the system to trade the derivative financial instruments related to other products/events, and also generate market/opinion data which reflects the demand or lack for the derivative financial instrument for a particular product/event in the market, thereby expanding the use of the system to other alternative environment and hence increase the overall performance of the system.

(See Supplemental Box)

Form PCT/ISA/237 (Box No. V) (April 2007)

Supplemental Box

In case the space in any of the preceding boxes is not sufficient.

Continuation of:
Box No. V --- Reasoend Statement
2. Citataions and Explanations:

As to claims 12-14, Keiser teaches identifying the event and responsing accordingly to the identified event (fig. 2 and para [0063]). Keiser does not explicitly teach the derivative financial instrument represents an election/investigation/military action event. However, Keiser explicitly suggested that the teachings are not limited to specific environment and can be used in other alternative environment (para [0062]), It would have been obvious to one of ordinary skill in the art to modify Keiser's teachings based on his suggestion because it would have allowed the system to trade the derivative financial instruments related to specific events, thereby expanding the use of the system to other alternative environment and hence increase the overall performance of the system.

As to claim 15, Keiser teaches the derivative financial instrument is associated with an initial price based at least in part on an attribute of the event (para [0087]).

As to claim 16, Keiser teaches adjusting the market price associated with the derivative financial instrument based at least in part on a result associated with the event (para [0090]-[0091]).

As to claim 17, Keiser teaches comparing a portfolio of derivative financial instruments associated with a first trader against a portfolio of derivative financial instruments associated with a second trader, and determining a winning trader based on the comparison (fig. 3 and para [0098]).

As to claim 18, Keiser teaches the first order received from a first trader associated with a first account of electronic currency, the second order received from a second trader associated with a second account of electronic currency, and debiting/crediting the first/second accounts according the executed trade (fig. 3 and para [0073]-[0081]).

Claims 1-18 have industrial applicability as defined by PCT Article 33(4), because the subject matter can be made or used in industry.